

## Old Age, Disability, Death

First law: 1965.

Current law: 1973.

Type of program: Provident fund system (lump-sum benefits with certain annuity options).

**Exchange rate:** U.S. \$1.00 equals 677 kwacha (K).

### Coverage

Employed persons, including agricultural workers, domestic servants in urban areas, and apprentices. Exclusions: Casual workers, self-employed, and workers in cooperatives. Special system for public employees and domestic servants. Voluntary affiliation for domestic servants in rural areas and others excluded from compulsory coverage.

### Source of Funds

**Insured person:** 5% of earnings (lower rates if wages below K67.50 a day).

**Employer:** 5% of payroll (higher rates for low-wage earners).

**Government:** None.

Maximum earnings for contribution purposes: K15,000 a month. Above contributions also finance maternity benefits and funeral grants.

### Qualifying Conditions

**Old-age benefit:** Age 50 and retirement from regular employment (age 55 without retirement); 5 years earlier for those who joined Fund prior to April 1, 1973.

Payable at any age to member emigrating permanently.

**Disability benefit:** Permanent incapacity for any work due to physical or mental disability.

**Survivor benefit:** Death of insured worker before benefit otherwise payable.

### Old-Age Benefits

**Old-age benefit:** Lump sum equal to total employee and employer contributions, plus accrued interest.

May be paid as annuity or in installments at member's option.

### Permanent Disability Benefits

**Disability benefit:** Lump sum equal to total employee and employer contributions, plus accrued interest.

May be paid as annuity or in installments at member's option.

### Survivor Benefits

**Survivor benefit:** Lump sum equal to total employee and employer contributions in deceased's account, plus accrued interest. Payable to nominated spouse or other dependent relatives.

May be paid as annuity or in installments.

Funeral grant: K12,000 (in addition to above benefit), if at least 24 monthly contributions credited to deceased.

### Administrative Organization

Ministry of Labor and Social Services, general supervision.

Zambia National Provident Fund, administration of program; managed by tripartite board and director.  
2 regional offices and 22 district offices.

## Sickness and Maternity

First law: 1973.

Current law: 1994

Type of program: Provident fund system. Maternity benefits only.

### Coverage

Employed women.

### Source of Funds

**Insured person:** See pension contributions above.

**Employer:** Same.

**Government:** Same.

### Qualifying Conditions

**Maternity benefit:** 24 monthly contributions to Fund.

### Sickness and Maternity Benefits

**Maternity benefit:** K10,000 for each birth (not deductible from member's account in Fund).

Employers must grant up to 30 days of paid sick leave per year to employees, and up to 90 days for maternity leave.

### Workers' Medical Benefits

**Medical benefits:** Medical care available to all citizens in government hospitals, clinics, and rural health centers for modest fees. Fee-paying medical services have been introduced in the selected medical institutions.

### Administrative Organization

Ministry of Labor and Social Services, general supervision.

Zambia National Provident Fund, administration of program.

## Work Injury

First law: 1929 (employer liability).

Current law: 1963 (compulsory insurance).

Type of program: Compulsory insurance with public carrier.

### Coverage

Employed persons, including casual workers, teachers, domestic servants and apprentices.

Special system for public employees.

### Source of Funds

**Insured person:** None.

**Employer:** Whole cost, through contributions fixed annually according to risk.

**Government:** None, except pays on behalf of all non-pensionable government employees.

Maximum earnings for contribution purposes: K10,000 a year.

### Qualifying Conditions

**Work-injury benefits:** No minimum qualifying period.

### Temporary Disability Benefits

**Temporary disability benefit:** 100% of average monthly earnings up to K75, plus 80% of earnings between K76-K200, 50% of earnings from K201-K300, 40% of earnings from K301-K400, and 30% of earnings from K401-K600. Payable for up to 18 months (24 months in special cases).

### Permanent Disability Benefits

**Permanent disability pension:** For total incapacity, 100% of average monthly earnings up to K40, plus 70% of earnings from K41-K100, 40% of earnings from K101-K200, 30% of earnings from K201-K300, 20% of earnings from K301-K400, and 10% of earnings from K401-K600.

Child supplement: 15% of pension for 1st, 5% for each other child under age 18, through the 8th child.

Partial disability: Percent of full pension proportionate to degree of disability (lump sum payable if less than 10% disabled).

Adjustment: Provision for periodic adjustment of pensions for cost-of-living changes.

### Workers' Medical Benefits

**Medical benefits:** Medical, dental, nursing, and hospital care, up to K1,500; artificial limbs up to K500; and transportation.

### Survivor Benefits

**Survivor pension:** 80% of disability pension of insured. Payable to widow or disabled widower.

Orphans: 15% of insured's pension for 1st, 5% for each other orphan under age 18 (older if full-time student); full orphans, 30% for 1st, 10% for each additional (maximum, 8 children).

Survivor benefit payable to other survivors (if no widow or orphans). Amount varies according to degree of dependence upon deceased.

Adjustment: Provision for periodic adjustment of pension for cost-of-living changes.

Funeral grant: Cost of burial; maximum, K50.

### Administrative Organization

Ministry of Labor and Social Services, general supervision.

Workmen's Compensation Fund, administration of contributions and benefits; managed by board and commissioner.

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